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***Governor O'Bannon's speech on
Energize Indiana: A Vision for Indiana's Future***

Thank you all for being here. Thank you, Bill Sheldrake, Jim Eifert, Albert Chen and Joe Kernan for those very powerful presentations on what is – and what can be.

That's what I want to talk about today – what Indiana can be.

I want to talk to you about the next logical step, after our successful tax restructuring work of the last legislative session, to create economic well-being for Hoosier families – and the state. I want to talk to you about jobs.

It's no secret that Indiana has been going through some tough times lately. We've been pummeled by this national recession, hit harder than most other states.

We are coming off a political season across the country in which the blame game was played often . . . and sometimes successfully. . . by candidates of both parties who wanted to blame the other guy for the national recession. I don't have time to play the blame game. I do know this:

In less than two years, the Dow Jones is down 20 percent. The national unemployment rate is up 33 percent. The country has lost two million jobs. October was the 27th consecutive month in which the number of manufacturing jobs nationwide declined. And consumer confidence hit a nine-year low, and showed the biggest monthly drop off in 12 years.

The U.S. government went from a \$281 billion surplus last year to a \$157 billion deficit this year. At least 45 states have experienced severe budget deficits. Perhaps worst of all, the recession has hampered our state's efforts to help our citizens at the very moment that they are asking for more help.

But I also know this: Despite the harm caused by the national recession, Indiana was fifth in a national survey of economic activity in 2001 – and that was before we adopted one of the most growth-oriented business-tax codes in the country. With that new tax code, Indiana jumped to 10th in the nation for providing research and development tax credits.

We are a national leader in implementing No Child Left Behind, President Bush's initiative to improve our schools. The Hoosier state ranked 15th among the states for the best climate for small businesses. And Indiana has one of the most dedicated, hard-working workforces in the country.

I'm proud of Indiana. For all of the difficulties our state and our nation are experiencing, Indiana has a lot going for it. And I won't let naysayers and dooms-dayers convince me otherwise.

But we still have much to do, and that is why I have invited you here today. We are in drastic economic times, and it will take bold action to move Indiana forward.

Today, I ask you to join, with me, in a vision of a better Indiana – one with accountable schools and accomplished teachers who provide an education for our children that is the envy of the nation.

Consider an Indiana that will offer career opportunities to every young Hoosier who aspires to put his or her education to use here, at home. Think about an Indiana where workers will provide for their families without having to work two or three jobs. Picture an Indiana where workers will aspire to improve their skills -- and will have access to a Community College campus to do so.

Imagine an Indiana that will encourage and support creation of high-skill, high-pay jobs – and will have an educated workforce to fill them. Dream of an Indiana that will aim to spread prosperity from its major cities to its rural towns. And help me energize Indiana by creating an atmosphere for research and development of new products and ideas. We can develop the intellectual capital in our universities and provide assistance and incentives for companies to pursue the possibilities.

Join with Lieutenant Governor Kernan and me in our vision for Indiana's future. . . . ENERGIZE INDIANA. This \$1.25 billion, 10-year initiative is our commitment to build on our past, strengthen the present and blast forward into the future. It is our commitment to fire up our state's economy.

And it does not use one state tax dollar.

Energize Indiana focuses on four industry sectors – advanced manufacturing, life sciences, information technology and 21st century logistics. Our state has a realistic claim to each of these sectors.

Our universities – public and private -- are renowned for their capabilities in both advanced manufacturing and life sciences. Our existing inventory of businesses already boasts some of the country's leading contributors to those two sectors. We know Eli Lilly, Guidant, Biomet, Cook and Zimmer and others are already leaders in life sciences and advanced manufacturing.

Indiana already has hundreds of firms and thousands of employees in the area of information technology. Fort Wayne is considered one of the nation's top digital cities. The I-Light initiative connects Indiana University and Purdue University with the world.

And as for 21st century logistics? We are the crossroads of America, so high-tech distribution is a natural. Indianapolis, according to Global Business magazine, is a logistics manager's dream come true because more highways pass through it than any other city in the United States, and more than 60 percent of the U.S. population lies within 700 miles. And Northwest Indiana is a gateway to Chicago, and the rest of the Midwest.

Now, I could go on and on about all we've already accomplished. We cannot rest until we become a national leader in each of these sectors. We cannot rest until every Hoosier recognizes that the more you learn, the more you earn – and every one has the opportunity to act on it. We cannot rest until every Hoosier family can live a dignified and comfortable life, supported by a high-wage, high skill job.

Energize Indiana can accomplish that.

Lieutenant Governor Kernan now will outline for you our specific proposals . . .

(Kernan explains the details. When he is finished, the governor returns to the rostrum.)

Thank you, Joe. As you just heard, this is an ambitious undertaking. It won't be easy.

Some will question why we would undertake such a bold, expansive program now, when the national recession has created a fiscal crisis in our state that even the courageous action of the last legislature could not overcome.

Why? So that we can build a better economic base to shore up the state budget that pays for the improving schools our children attend; the home-health care our elderly deserve; the state parks we all enjoy; the health insurance our children need; and the Medicaid health services our citizens depend upon.

As I mentioned earlier, our state is literally the Crossroads of America. It seems to me that, today, we stand at a different crossroad. We have a choice: we can sit and wring our hands and bemoan a national recession, or we can act assertively, decisively, deliberately -- so that, when the economy turns, Indiana will be ready to explode.

We choose to act. We choose to energize Indiana.

Some doubt we can pass such a bold program, as many doubted that we could restructure our tax system. But, with bipartisan action, we proved them wrong. We made history. Those were crucial steps that had to be taken before we could launch this important Energize Indiana initiative.

Indeed, we began work on this initiative just a month after the legislature passed that historic tax-restructuring package. We recognized that, as important as the action taken last June was, it was only a beginning. An important delivery tool -- regional economic-development offices -- is in place.

Now it's time to take the next step. I'm calling on the leaders here today, as well as leaders in the legislature, to join in a bipartisan effort to pass this initiative.

Together, we can do this. We *must* do this. We *will* do this. Thank you.

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